

~~CONFIDENTIAL~~

OGC HAS
REVIEWED.

12 October 1955

MEMORANDUM FOR: Director of Personnel ✓

SUBJECT: Educational Allowances

1. On Tuesday, 11 October, I discussed with Mr. Lyle Fisher, General Counsel to the Comptroller General, the questions raised by the Comptroller General's letter of September 28, 1955, to the Secretary of State (B-125514) on payment of educational allowances by certain agencies other than the Department of State. I told Mr. Fisher we had reviewed the questions, so far as this Agency was concerned, in July and after discussion with his Office had come to the conclusion that there was no legal objection to the payment of educational allowances to vouchered personnel of this Agency. I said that we were somewhat concerned that the questions raised with the Department of State might by implication raise a question on the legal ruling we had given in July. Mr. Fisher said he recalled considering our case early in the summer and he had felt then and still feels that we are in a different position from the agencies about which he is concerned.

FOIAb5

FOIAb5

Mr. Fisher felt that this clearly showed the intent of Congress to treat this Agency, insofar as benefits were concerned, on the same general basis as the Foreign Service, but that the other agencies had no such substantive indication that Congress had a similar intent with regard to them.

2.

FOIAb5

FOIAb5

FOIAb5

Mr. Fisher indicated that this did not particularly concern him as he felt that it could be assumed that the Congress in giving us funds would be aware of the new educational benefits and would intend to cover them, whereas the point he has raised with the Department of State in regard to the other agencies is that there was no indication at the time appropriations were made

to those agencies that the Congress had any awareness of or intent in regard to the educational allowances. I said it was my understanding that we had put a system of allowances into effect for the current school year and hoped that these would not be affected by the letter to the Department of State. Mr. Fisher said he had no reason to feel that he or the General Accounting Office should question what we had done and if any question is raised I will bring it to his attention. He further said that on presentation of the full circumstances by the Department of State in response to the Comptroller General's letter they may quite possibly rule that educational allowances are permissible to all departments and agencies involved.

151

LAWRENCE R. HOUSTON
General Counsel

cc: DD/S
AD/Operations
Comptroller
Chief, Contract Personnel
Division

*4 copies to
Finance
7/14/55
7AS
10/14/55*